SECURITIES MARKET BULLETIN

An overview of the securities market for the second half of the year 2025

A PUBLICATION BY THE TRINIDAD AND TOBAGO SECURITIES AND EXCHANGE COMMISSION
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List of Abbreviations and Acronyms

Act	Securities Act Chapter 83:02 of the Laws of the Republic of Trinidad and Tobago
AUM	Assets Under Management
CBTT	The Central Bank of Trinidad and Tobago
CIS	Collective Investment Scheme
Draft RBCAL Bye-Laws	The Risk –Based Capital and Liquidity Requirements Bye-Laws, 2024
MMRF	Micro and Macro-Prudential Reporting Framework
Qtr	Quarter
RBS	Risk-Based Supervision
Repo	Repurchase Agreement
SRO	Self-Regulatory Organisation
The Exchange	The Trinidad and Tobago Stock Exchange
TTSEC	Trinidad and Tobago Securities and Exchange Commission

Introduction

The Securities Market Bulletin (SMB) continues to serve as a trusted source of information for stakeholders on the developments within Trinidad and Tobago's securities industry. As the financial landscape evolves through technological advancement, global regulatory reforms and an increasing emphasis on resilient and inclusive financial systems, access to accurate and relevant market data has become increasingly important.

The Trinidad and Tobago Securities and Exchange Commission's (TTSEC's) 2025–2028 Strategic Plan outlines the TTSEC’s vision for proactively addressing the evolving needs of the securities industry. As the regulator of the securities market, the TTSEC remains committed to protecting investors, promoting a fair, transparent and efficient market, reducing systemic risk, and strengthening investor awareness through regulatory oversight and stakeholder engagement. The SMB supports these strategic objectives by enhancing market transparency and fostering informed decision-making through the dissemination of relevant market information.

This edition presents an overview of key developments within the securities market during the six-month period ended December 2025. The analysis is based on data submitted by registrants through the Micro and Macro Prudential Reporting Framework (MMRF) for the quarters ended September 2025 and December 2025. It highlights key trends, developments, and insights across the major activities and segments of the securities market.

Over the year ended December 2025, the market reported notable positive changes compared with the year ended December 2024. An analysis of the performance across the two periods indicated increases in the Client Assets Managed by Broker Dealer of **TT$18,440.14Mn (14.57 percent)**, Assets under Management (AUM) by Collective Investment Schemes of **TT$2,390.85Mn (3.66 percent),** Repo Liabilities of **TT$205.69Mn (3.46 percent)** and Over the Counter transactions of **TT$49.94Mn (2.51 percent)**. During this period, Client Assets Managed by Investment Advising and Private Placements were the significant activities to record declines by **TT$55.71Mn (100.00 percent) and TT$76.98Mn (57.47 percent)**.

The data presented in this issue are provisional and subject to revision This publication provides insights into the following business activities as well as their interconnections over the relevant period.

- ***Investment Advising;***
- ***Broker Dealing;***
- ***CIS Management;***
- ***Repo Selling; and***
- ***Structuring and Distributing Securities: Over the Counter ("OTC") and Private Placements.***

Significant Activities

Activities of Entities registered under Section 51(1) of the Act include:

- **Investment Advising**: advising a person as to buying, selling, or holding a security only.
- **Broker Dealing**: executing trades on behalf of clients and the company's own account as principal.
- **CIS Management**: managing securities or a portfolio of securities belonging to a CIS.
- **Portfolio Management**: managing securities or a portfolio of securities belonging to another person (excluding CISs) in circumstances involving the exercise of discretion.
- **Repo Selling**: creating and selling Repos based on proprietary holdings.
- **Structuring and Distributing Securities**: structuring and issuing of securities and/or underwriting securities on a best-efforts or firm commitment bases.

Entities are also required to submit MMRF data on a quarterly basis. As at Qtr 4 2025, there were **51** entities, which comprised of **43** Broker-Dealers, **7** Investment Advisers (**5** Corporate and **2** Individuals) and **1** Underwriter. It should be noted that there were no changes to the registration status of the entities during this period. ***Table 1*** below provides the year-on-year changes in the significant activities.

Table 1: AUM of Significant Activities - Period Change

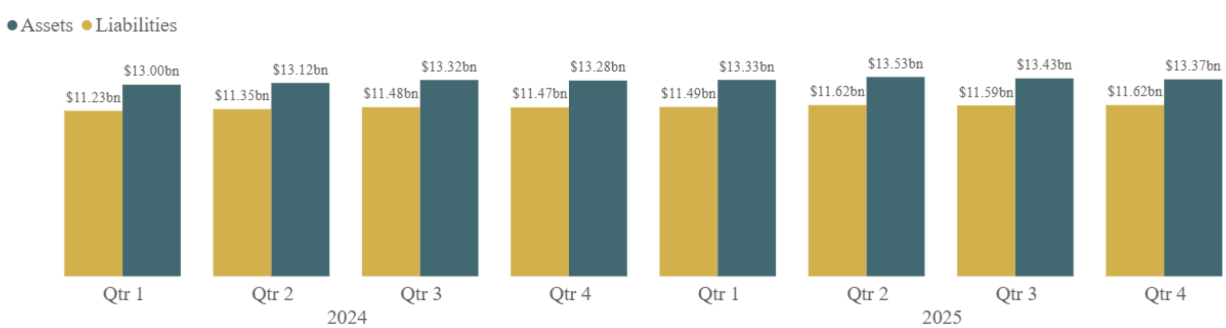
Activity	Qtr 4 2024 (TT$Mn)	Qtr 4 2025 (TT$Mn)	Change (TT$Mn)	% Change
Investment Advising	55.71	0	-55.71	-100.00
Broker Dealing	126,565.30	145,005.44	18,440.14	14.57
CIS Management	65,389.75	67,780.60	2,390.85	3.66
Repo Selling	5,946.66	6,152.35	205.69	3.46
Over the Counter	1,990.79	2,040.73	49.94	2.51
Private Placement	133.94	56.96	-76.98	-57.47

Investment Advising

There were **7** Investment Advisers (IA) (**5** Corporate and **2** Individuals) at the end of Qtr 4 2025. ***Figure 1*** shows the quarterly values of the asset and liabilities composition of Investment Advisers. In the second half of 2025, the average values for Assets and Liabilities of IAs were approximately **TT$13.40Bn** and **TT$11.61Bn**, respectively.

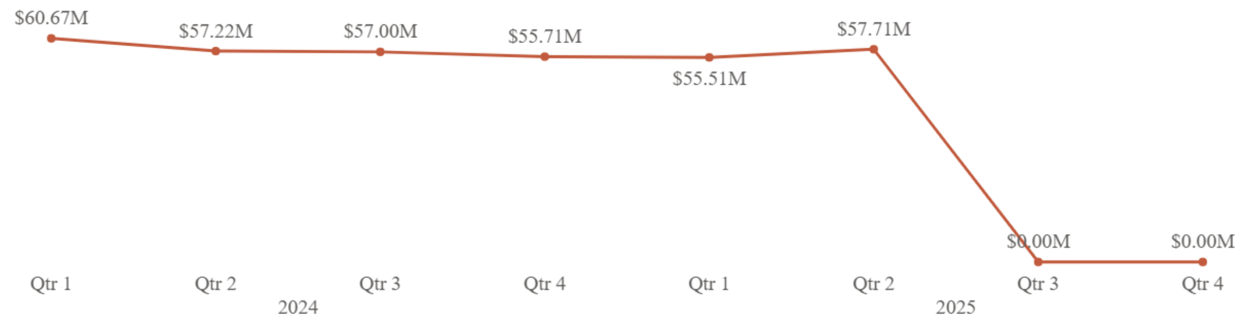
When compared to the previous year, the average values of Assets and Liabilities increased by **TT$81.28Mn (0.61 percent)** and **TT$153.20Mn (1.34 percent)**.

Figure 1: Investment Advisers' Assets and Liabilities Composition (TT$)



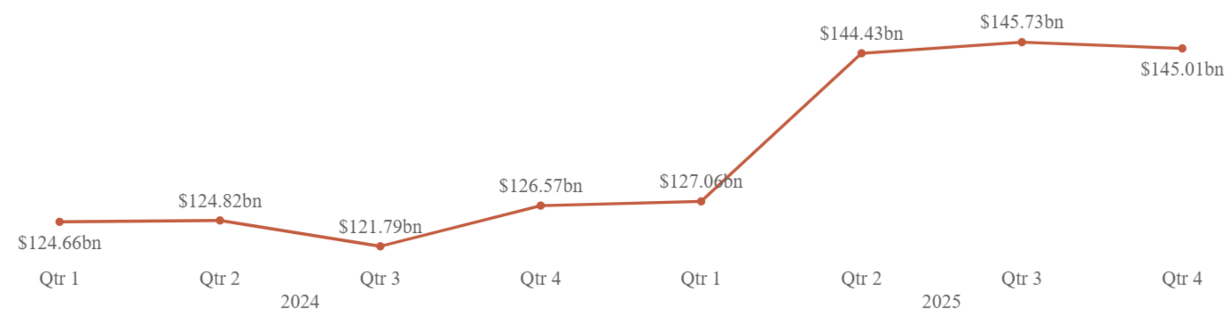
At the end of Qtr 4 2025, Investment Advisers had 876 clients (**Figure 2**). During the second half of 2025, an IA that managed client assets in the securities industry commenced the process of deregistering from the TTSEC's register. The firm's portfolio consisted exclusively of institutional clients, including pension funds.

Figure 2: Client Assets Managed-Investment Advising Entities



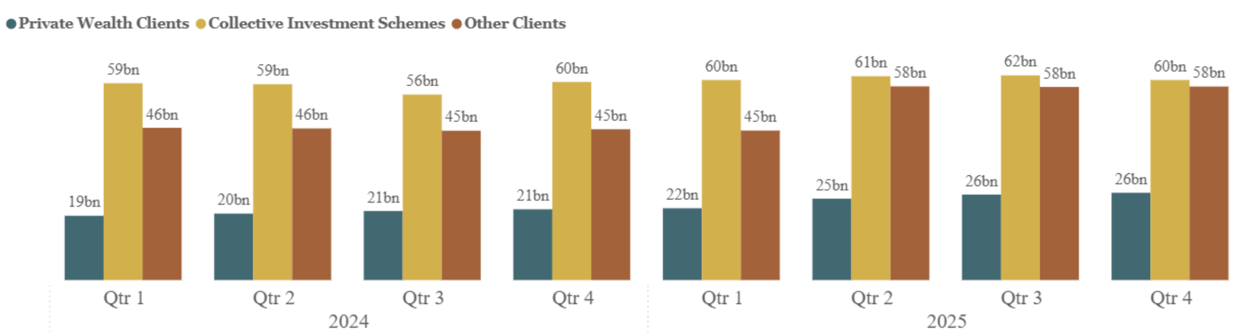
Broker Dealing

Figure 3: Client Assets Managed-Broker Dealing Entities



In Qtr 4 2025, there were **43** Broker- Dealers and **1** Underwriter who collectively had **2.59Mn** clients and managed **TT$145.01Bn** in client assets see (see ***Figure 3***).

Figure 4: Client Assets Managed-Broker-Dealing



Approximately **18.15 percent** of total Client Assets are managed on behalf of **9,216** Private Wealth Clients whose assets were valued at **TT$26.32Bn**. Additionally **41.60 percent (TT$60.32Bn)** of total Client Assets managed comprised of CISs (***Figure 4***). When compared to Qtr 4 2024, the number of clients decreased by **3.24 percent** while the value of total Client Assets managed increased by **14.57 percent**.

Figure 5: Broker-Dealers' Assets and Liabilities Composition (TT$)

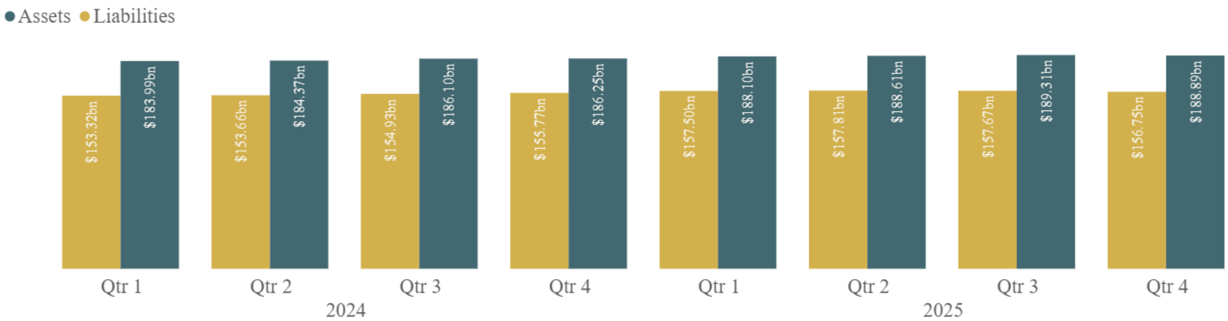
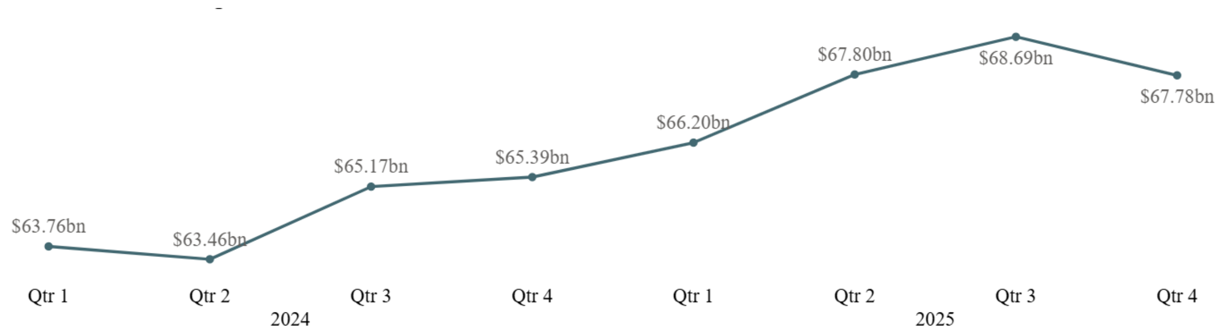


Figure 5 shows the quarterly values of the asset and liabilities composition of Broker-Dealers. In the second half of 2025, the average values for Assets and Liabilities of Broker Dealers were approximately **TT$189.10Bn** and **TT$157.21Bn**, respectively. When analysing the comparative period in 2024, the average values of Assets and Liabilities increased by approximately **TT$2.92Bn (1.57 percent)** and **TT$1.86Bn (1.20 percent)**, respectively (***Figure 5***).

The number of Broker-Dealers on the Trinidad and Tobago Stock Exchange ("the Exchange") remained at 8 as at Qtr 4 2025. In total, Broker-Dealers on the Exchange had **80,282** clients with **TT$41.12Bn** Clients Assets Managed. When compared to Qtr 4 2024, Client Assets Managed for Broker Dealers increased by approximately **TT$24.10Bn (142 percent)**.

CIS Management

Figure 6: CIS AUM (TT$)



At the end of Qtr 4 2025, there were **17** CIS Managers overseeing a total of **81** funds, with AUM valued at **TT$67.78 Bn** (**Figure 6**). During the second half of 2025, three CISs were wound up. Compared with Qtr 4 2024, total AUM increased by **TT$2.39Bn (3.66 percent)**.

Figure 7: CIS AUM Breakdown by NAV Type

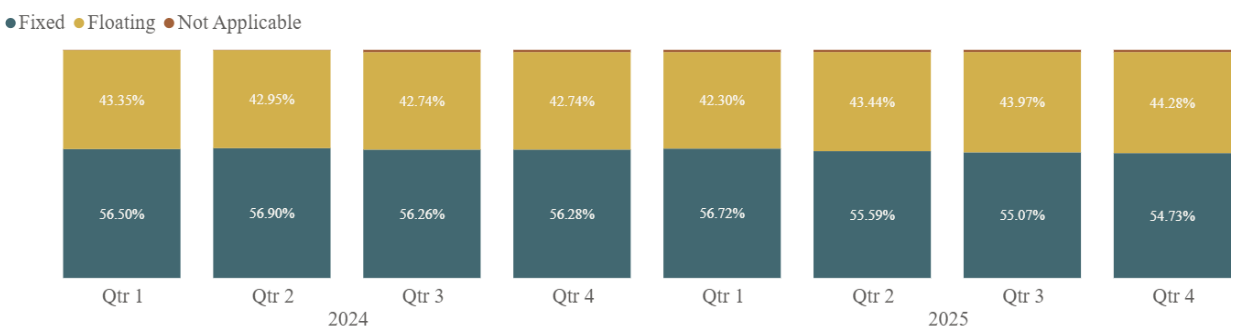


Figure 8: CIS AUM Breakdown by Currency

The market continues to be dominated by **14** Fixed Net Asset Value ("NAV") Funds, accounting for approximately **TT$37.10Bn (55 percent)** of total AUM in Qtr 4 2025 (***Figure** 7*). Additionally, most CISs remain denominated in TTD **TT$49.766Mn** (**73.42 percent**), despite its share decreasing by **51 basis points** year-on-year. On the other hand, the USD denominated funds increased by **50 basis points** to **25.04 percent**. (***Figure 8***)

Figure 9: CIS AUM by Type

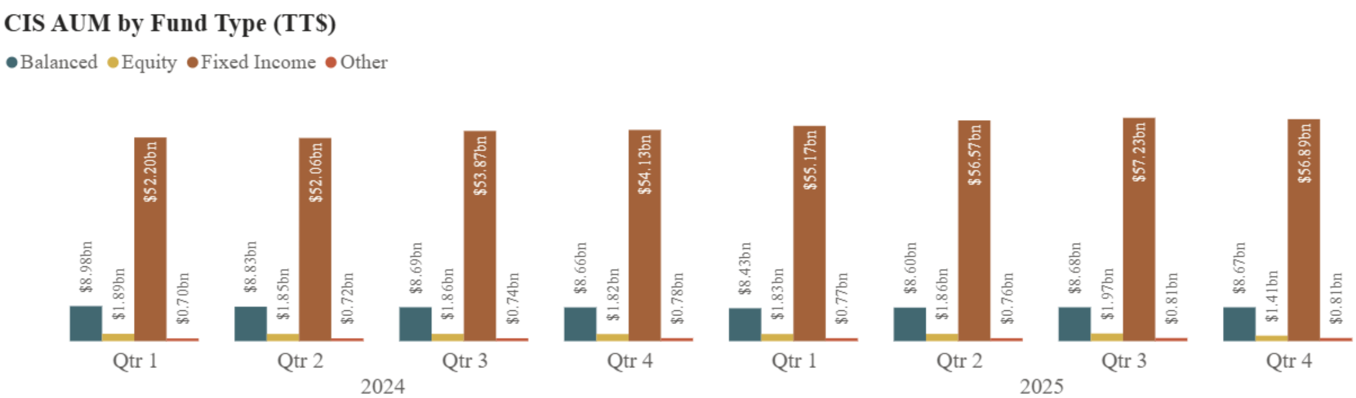
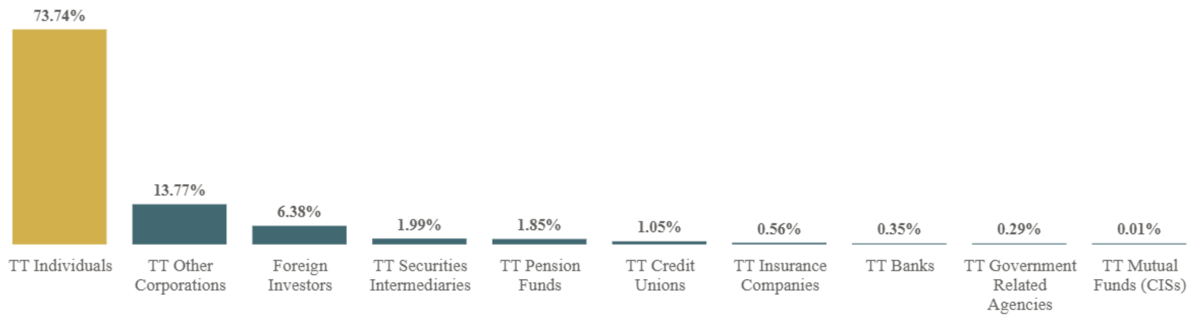
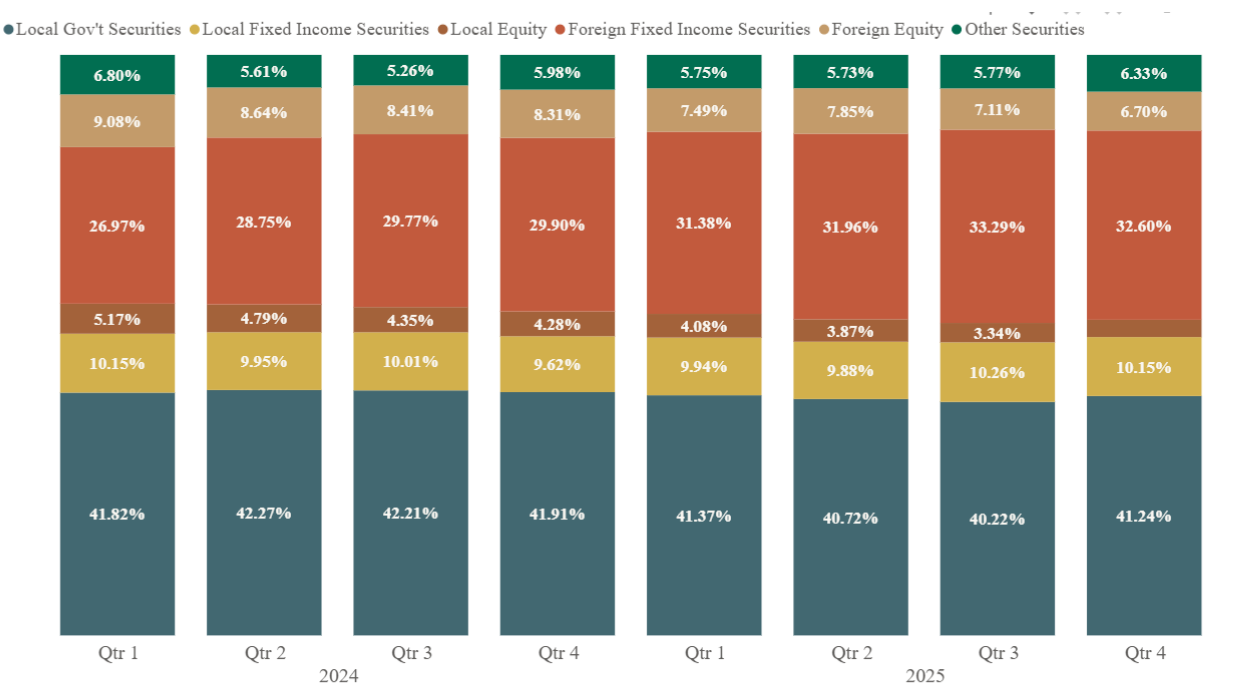


Figure 10: Types of Investors in CISs as at Qtr 4 2025



In Qtr 4 2025, there were **42** Fixed Income CISs which accounted for **TT$56.89Bn (83.93 percent)** of the CIS market's AUM (***Figure 9***), and TT Individuals continued to have the largest investments in CISs (***Figure 10***).

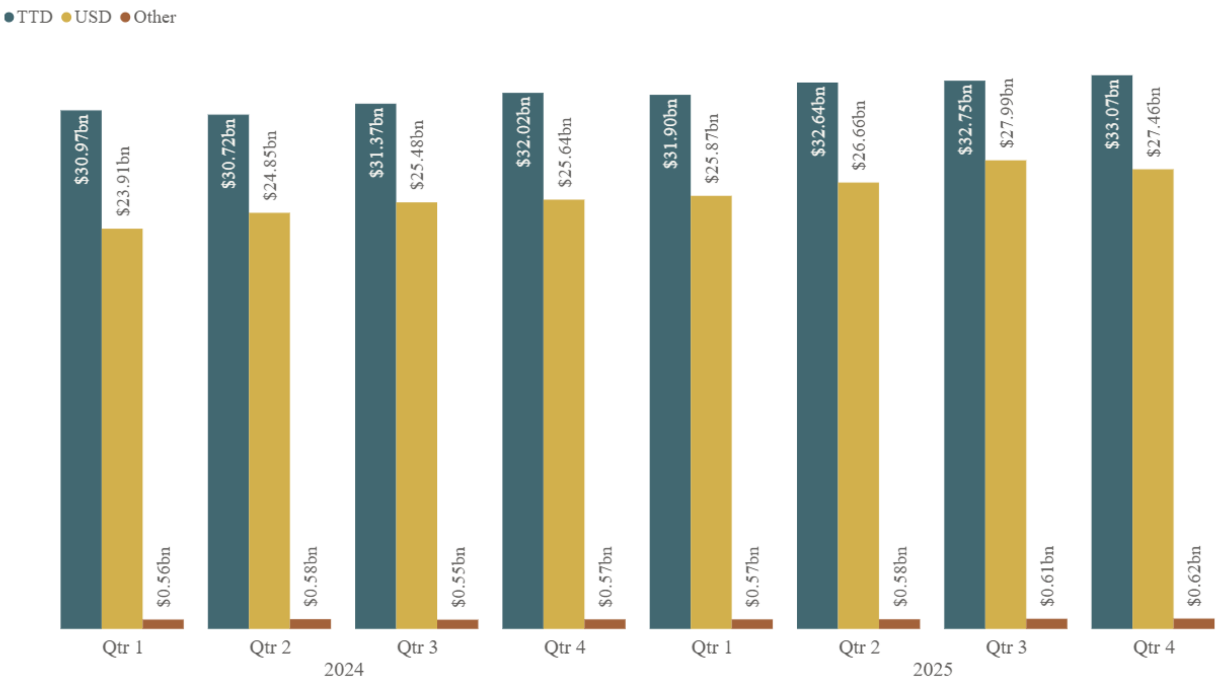
Figure 11: CIS Portfolio Composition[1] by Type



[1]The following definitions pertain to asset categories for portfolios in this report. Local Government Securities include TT Government Securities, TT Financial State Agencies, TT Non-Financial State Agencies and TT Eurobonds. Local Fixed Income Securities include TT Bonds Financial Sector and TT Other Corporate Bonds. Local Equity includes TT CISs and TT Equity. Foreign Fixed Income Securities include Foreign Government Securities and Foreign Non-Government Securities. Foreign Equity includes Foreign CISs and Foreign Equity. Other Securities include Real Estate, Repurchase Agreements and Other Assets.

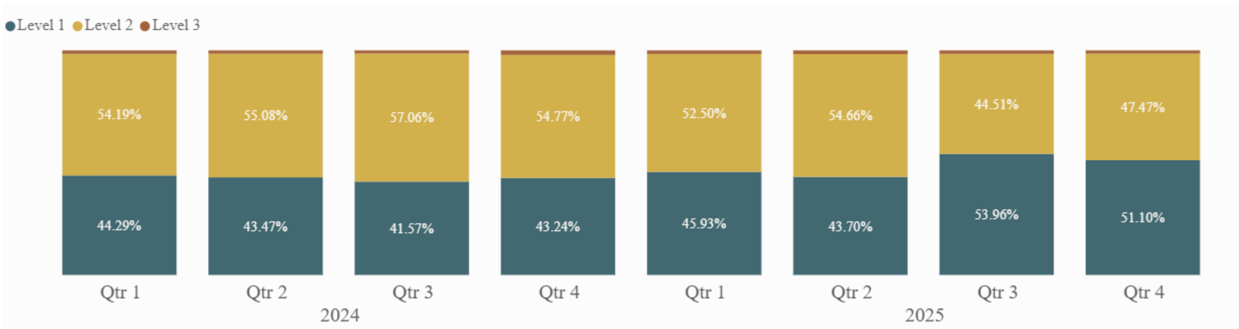
CIS portfolios continue to be mainly comprised of Local Government Securities averaging approximately **41 percent** so far throughout 2025. (***Figure 11***)

Figure 12: CIS Portfolio Composition by Currency



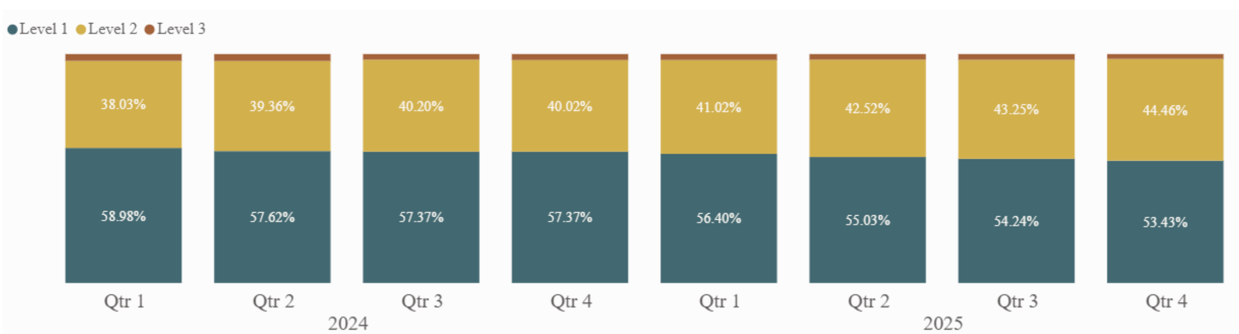
While CIS portfolios continue to be mainly denominated in TTD in Qtr 4 2025, it was observed that the USD portfolio experienced the largest annual growth of **7.08 percent** when compared to Qtr 4 2024 (***Figure 12***).

Figure 13: Fixed NAV CIS Asset Level Classification as at Qtr 4 2025



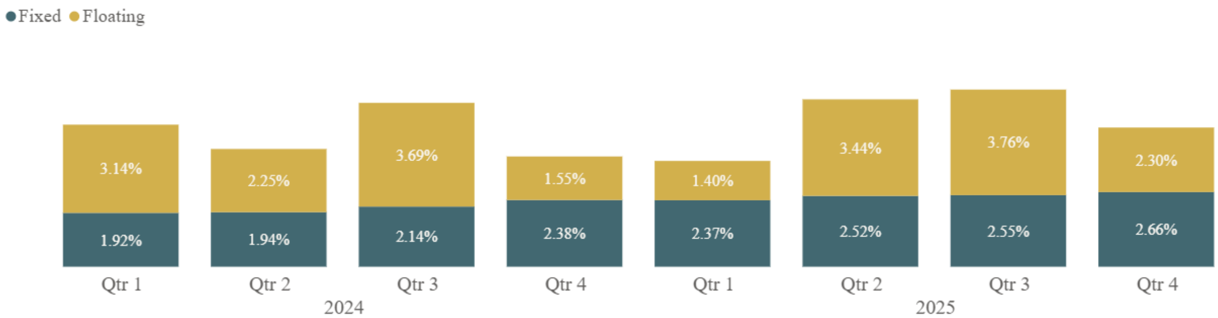
An assessment of CIS portfolios for Qtr 4 2025 indicated a shift in the composition of valuation classifications, with Level 1 securities accounting for **51.10 percent** of Fixed NAV CIS holdings, compared with **47.47 percent** for Level 2 securities (***Figure 13***). This represents a departure from earlier quarters, when Level 2 instruments constituted most portfolio assets. The increased proportion of Level 1 securities suggests a greater concentration in assets with readily available market quotations and reduced dependence on valuation models that rely on observable market inputs.

Figure 13.5: Floating NAV CIS Asset Level Classification as at Qtr 4 2025



The valuation composition of Floating NAV CIS portfolios remained largely concentrated in Level 1 securities during Qtr 4 2025, with these instruments comprising **53.43 percent** of holdings (***Figure 13.5***). While Level 1 assets continued to account for most portfolio investments, their share trended downward over the year, falling from **56.40 percent** in Qtr 1 2025. In contrast, the proportion of Level 2 securities increased from **41.02 percent** in Qtr 1 2025 to **44.46 percent** in Qtr 4 2025.

Figure 14: Average Yield by NAV Type Comparison



Both Fixed and Floating NAV CISs recorded higher average yields in Qtr 4 2025 compared with Qtr 4 2024, with the Floating NAV CISs increasing from **1.55 percent** to **2.30 percent** and the Fixed NAV CISs rising from **2.38 percent** to **2.66 percent**. Throughout 2025, Floating NAV CISs generally delivered higher yields and was the main driver of overall performance, while the Fixed NAVs CIS returns gradually improved over the year. (***Figure 14***).

Table 2: Weighted Average Maturities as at Qtr 4 2025 (years)

NAV Type	Fixed Income Type	Qtr 4 2024	Qtr 4 2025
Fixed	Local	3.35	3.12
	Foreign	3.74	4.28
Floating	Local	1.85	4.89
	Foreign	4.94	4.22

The TTSEC assesses the weighted average maturities of Local and Foreign Fixed Income securities held by both Fixed and Floating NAV CISs as part of its ongoing monitoring of portfolio risk exposures. In Qtr 4 2025, Foreign Fixed Income securities within Fixed NAV CISs recorded a longer weighted average maturity of **4.28 years** compared to **3.12 years** for Local Fixed Income securities. For Floating NAV CISs, Local Fixed Income securities had a longer weighted average maturity of **4.89 years** compared to **4.22 years** for Foreign Fixed Income securities. While longer-term securities generally offer higher yields, they are also more susceptible to interest rate risk and may be less liquid than shorter-term instruments.

When compared to Qtr 4 2024, the weighted average maturity of Foreign Fixed Income securities held within Fixed NAV CISs increased by **14.51 percent**, rising from **3.74 years** to **4.28 years** in

Qtr 4 2025. Among Floating NAV CISs, Local Fixed Income securities recorded the largest increase in weighted average maturity, rising from **1.85 years** in Qtr 4 2024 to **4.89 years** in Qtr 4 2025 (**Table 2**).

Table 3: Weighted Average Maturities by Portfolio Composition as at Qtr 4 2025

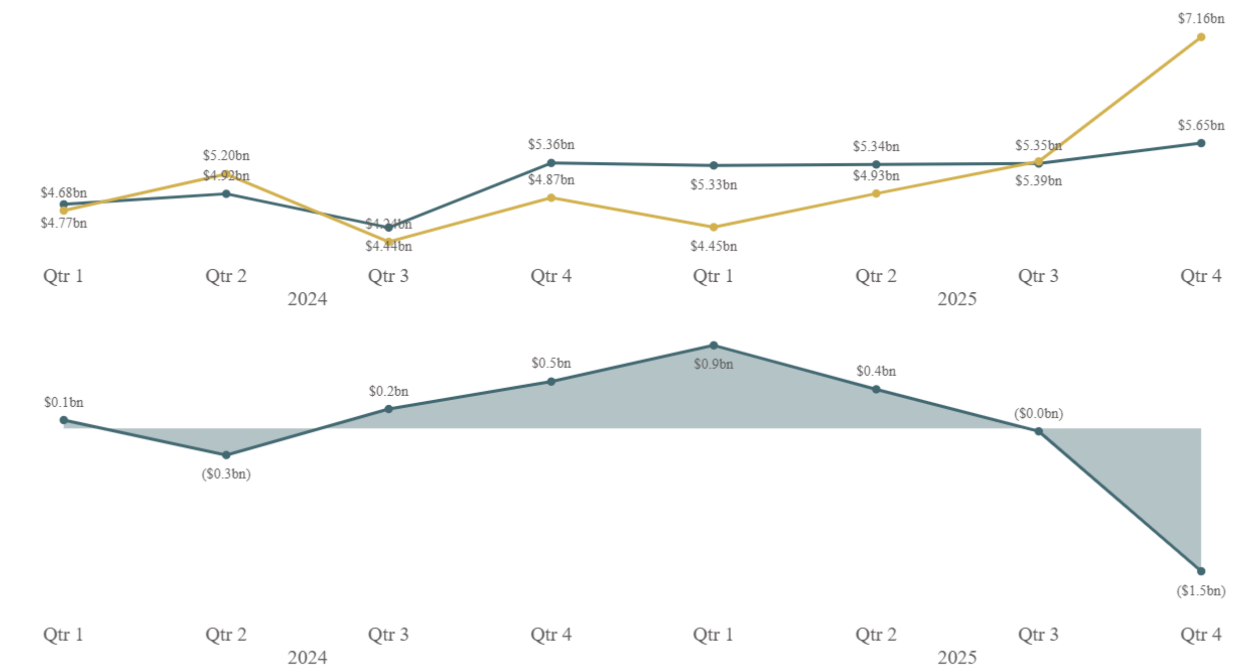
NAV Type	Fixed Income Type	< = 1 yr	1 – 5 yrs	> 5 yrs
Fixed	Local	22.10%	56.50%	21.40%
	Foreign	7.34%	55.79%	36.87%
Floating	Local	72.09%	12.12%	15.79%
	Foreign	45.07%	17.13%	37.80%

An analysis of the maturity distribution of Fixed Income securities held by CISs revealed notable differences across NAV types and asset classes. Within Floating NAV CISs, most Local Fixed

Income securities (**72.09 percent**) had maturities of one year or less. Similarly, **45.07 percent** of Foreign Fixed Income securities were concentrated in this maturity band.

Conversely, within Fixed NAV CISs, the largest proportion of both Local (**56.50 percent**) and Foreign (**55.79 percent**) Fixed Income securities had maturities between one and five years (**Table 3**).

Figure 15: Subscriptions, Redemptions, Net Encashments (TT$)

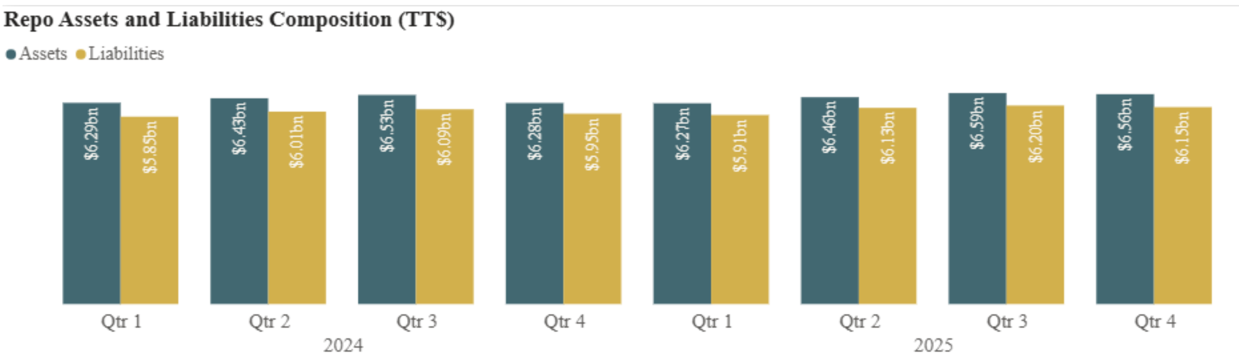


As at Qtr 4 2025, CIS Subscriptions stood at **TT$5.65Bn**, while Redemptions amounted to **TT$7.16Bn**, resulting in Net Redemptions of **TT$1.51Bn** (***Figure 15***). The net outflow was driven primarily by a US dollar-denominated fund, which accounted for most of the redemption activity during the quarter. While the elevated level of redemption can reflect investor sensitivity towards foreign currency-denominated CIS products, a portion of the redemption activity was also attributable to the winding up the three CISs. Together, these factors suggest that a significant share of the outflows resulted from fund-specific events rather than across the industry. Compared to Qtr 4 2024, Subscriptions increased by **TT$0.29Bn (5.41 percent**), while Redemptions rose significantly by **TT$2.29Bn (47.02 percent)**. The substantial increase in redemptions outweighed the growth in subscriptions, leading to a reversal from Net Subscriptions of **TT$0.50Bn** in Qtr 4 2024 to Net Redemptions of **TT$1.51Bn** in Qtr 4 2025.

Repo Selling

From December 2024 and throughout 2025, the number of Repo Sellers remained unchanged at **12** entities, compared with its high of **14** entities that was recorded in the first quarter of 2024. Repo Assets and Liabilities stood at **TT$6.59Bn** and **TT$6.20Bn** in Qtr 3 2025, while it declined to **TT$6.56Bn** and **TT$6.15Bn** respectively in Qtr 4 2025. The Qtr 4 2025 figures represented an increase of **4.39 percent (TT$275.57Mn)** in Repo Assets and **3.46 percent (TT$205.69Mn)** in Repo Liabilities when compared to Qtr 4 2024. The Qtr 3 2025 figures for Repo Assets and Repo Liabilities represented the new high watermark over the two-year period.

Figure 16: Repo Assets and Liabilities



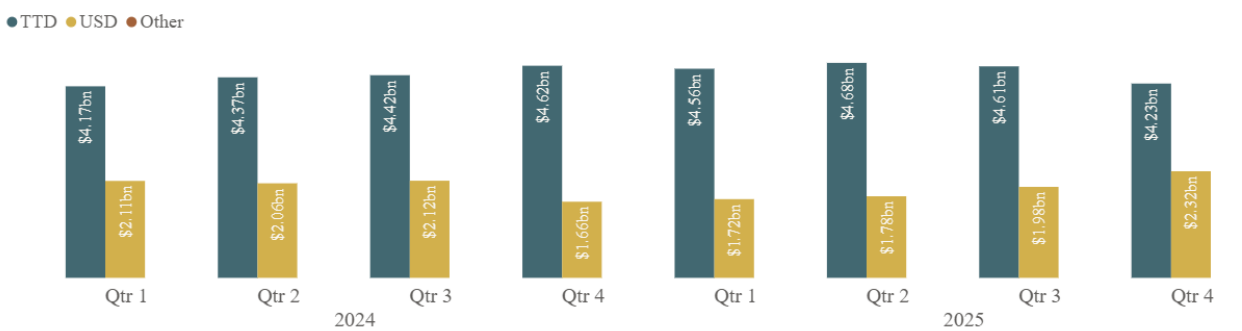
The number of foreign contracts showed some volatility whilst local contracts posted increases throughout the period. On an annualized basis, foreign contracts declined by **11 (30.56 percent)** whilst local contracts increased by **181 (8.59 percent)** respectively. At the end of 2024, total contracts stood at **2,142** while this same indicator was **2,312** as at the end of Qtr 4 2025, an increase of **170 contracts (7.94 percent)** (***Table 4***).

Table 4: Repo Contracts

Year	Quarter	Foreign Contracts	Local Contracts	Total Contracts
2024	Qtr 1	40	2297	2337
2024	Qtr 2	40	2377	2417
2024	Qtr 3	37	2104	2141
2024	Qtr 4	36	2106	2142
2025	Qtr 1	34	2164	2198
2025	Qtr 2	25	2225	2250
2025	Qtr 3	29	2274	2303
2025	Qtr 4	25	2287	2312

During the second half of 2025, the average maturity of a Repo contract was **12 months**, with an approximate **3.65 percent** average return. Additionally, it should be noted that the average returns on Repo contracts increased by **24 basis points** from **3.44 percent** in Qtr 4 2024 to **3.68 percent** in Qtr 4 2025.

Figure 17: Repo Portfolio Currency Composition

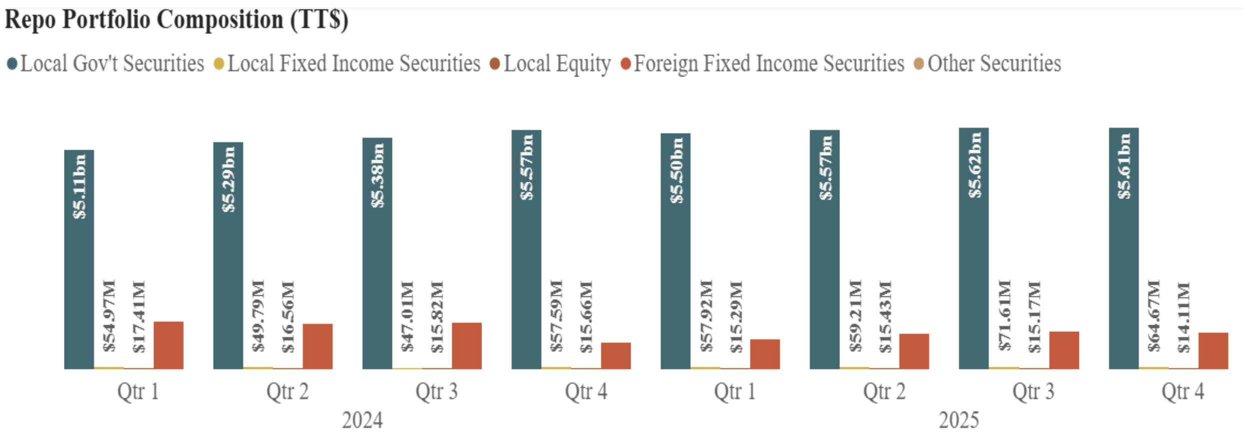


The currency composition of the Repo portfolios continued to be mainly denominated in TTD. The local currency share fell from **TT$4.62Bn** (**73.59 percent)** in Qtr 4 2024 to **TT$4.23Bn** (**64.57 percent)** in Qtr 4 2025. Meanwhile, the USD component rose from **TT$1.66Bn** (**26.41 percent)** in Qtr 4 2024 to **TT$2.32Bn** (**35.43 percent)** in Qtr 4 2025 (***Figure 17***).

A look at **Figure 17** shows an emerging trend towards the Repo portfolio becoming increasingly comprised of US-denominated securities. The US-denominated portion of the Repo portfolio experienced four straight quarters of increases, increasing by **9.02 percent** over the four quarters of 2025.

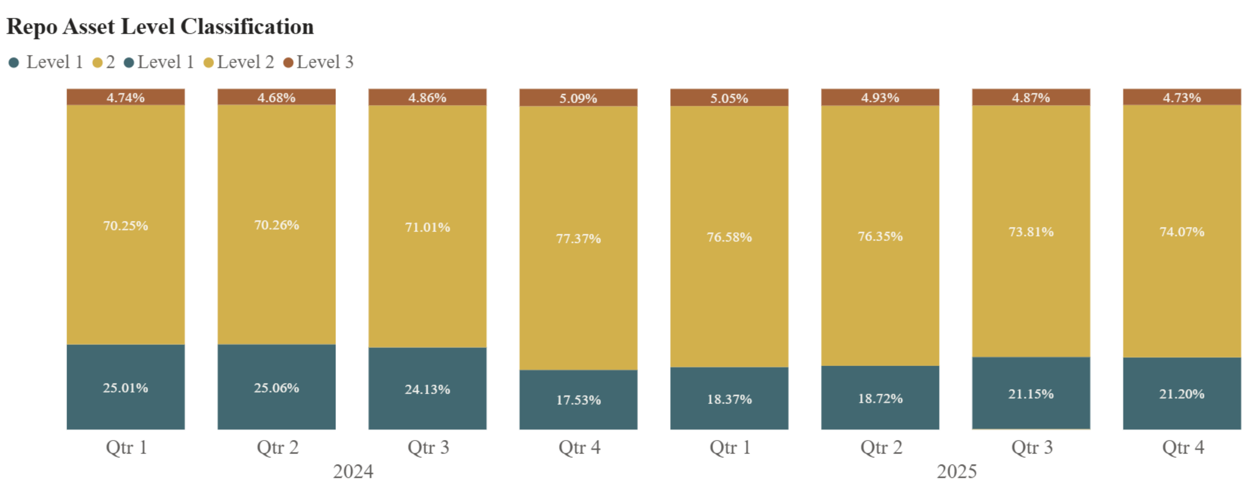
Conversely, the local currency portion of the Repo Portfolio experienced four straight periods of decline from Qtr 4 2024 to Qtr 4 2025, going from **73.59 percent** to **64.57 percent** with Qtr 3 2025 to Qtr 4 2025 declining by **5.35 percent**. The shift may reflect several factors, including relative yields, currency preferences and portfolio-diversification decisions; further analysis would be required to determine the principal drivers.

Figure 18: Repo Portfolio Composition (TT$)[2]



The asset composition of the Repo Portfolio continues to be mainly held in Local Gov't Securities **(85.52 percent)**, increasing by **TT$38.39Mn (0.69 percent)** from its December 2024 position. However, investments in Foreign Fixed Income Securities experienced the greatest year on year increase significantly rising by **TT$231.65Mn (36.24 percent)** from its Qtr 4 2024 position. Additionally, there continues to be no investments in Other Securities (***Figure 18***).

Figure 19: Repo Asset Level Classification

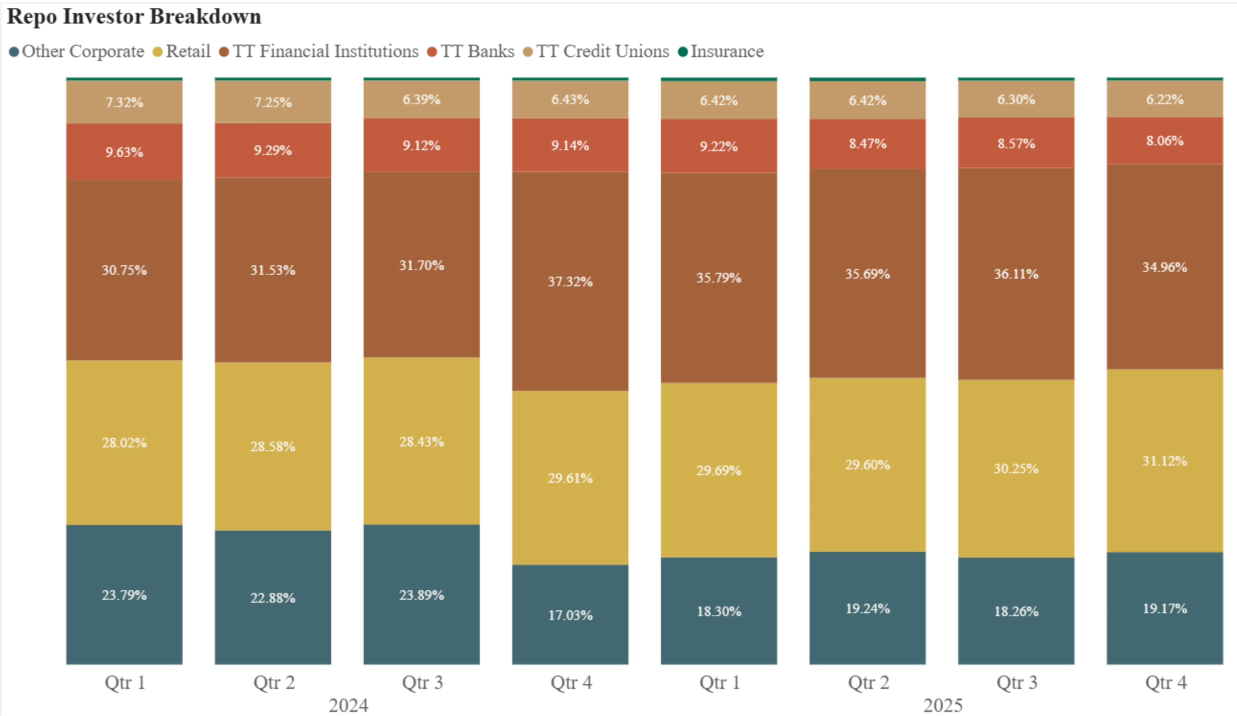


As at Qtr 4 2025, Level 1 and Level 2 securities, (those that either have quoted prices or are valued using inputs directly observable in the market), represent the majority, **95.27 percent**, of the collateral securities in the Repo Portfolios. This is up from **94.91 percent** observed in Qtr 4 2024.

[2]The definitions for the asset categories are the same as defined for ***Figure 11: CIS Portfolio Composition*** of this report except for the Other Securities category which excludes Repurchase Agreements.

It should be noted though that there was a decline of **3.30 percent** in Level 1 classified securities as Level 2 classified securities saw a **3.67 percent** increase (***Figure 19***).

Figure 20: Repo Investor Breakdown



Although the investor profile of Repos continues to be dominated by TT Financial Institutions **(34.96 percent),** however as at the end of Qtr 4 2025, its share declined by **3.2 percent** when compared to Qtr 4 2024**)**. However Other Corporate and TT Banks saw the largest increase of **16.41 percent** and **8.75 percent** respectively.

Structuring and Distributing: OTC and Private Placements

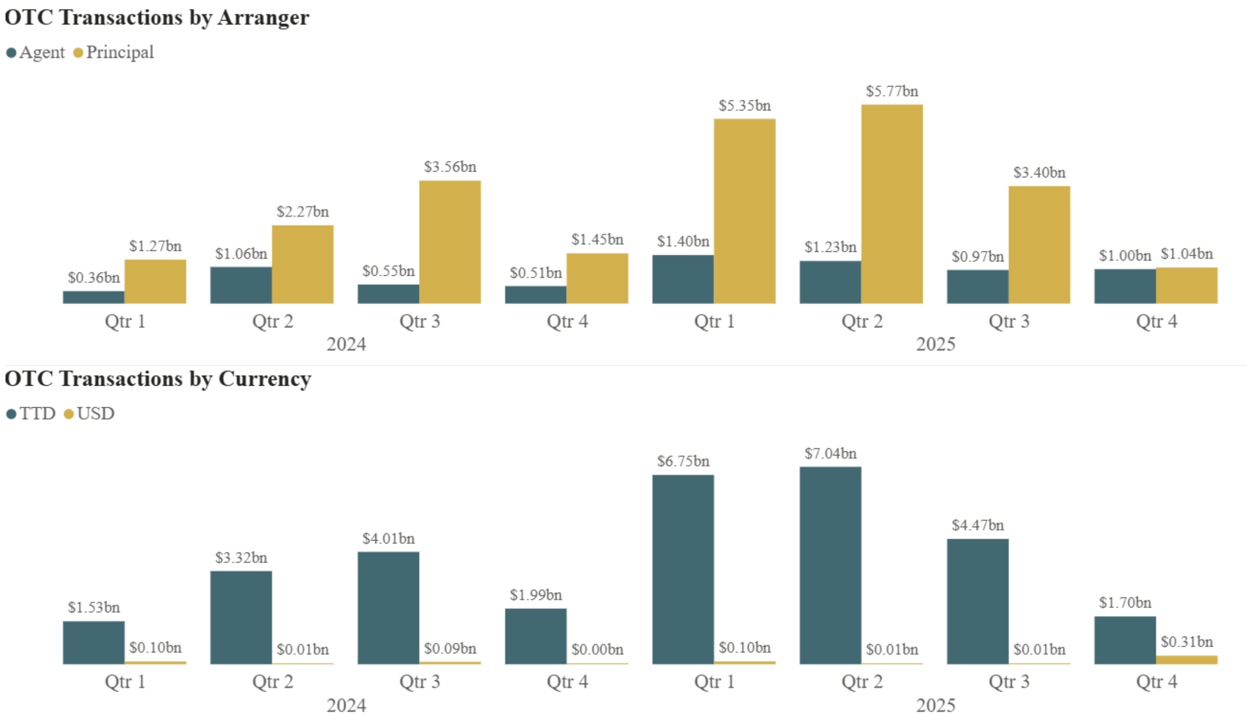
Over the Counter (OTC)

Table 5: Over-the-Counter Transactions

Year	Quarter	Registrants	No. of Transactions	Value TT$
2024	Qtr 1	12	827	$1.63bn
2024	Qtr 2	14	1489	$3.33bn
2024	Qtr 3	12	1422	$4.11bn
2024	Qtr 4	12	2448	$1.99bn
2025	Qtr 1	12	1491	$6.85bn
2025	Qtr 2	14	1653	$7.05bn
2025	Qtr 3	13	1285	$4.47bn
2025	Qtr 4	12	4175	$2.04bn

In the last half of 2025, there were at most **13** Registrants conducting OTC activities with all of the transactions being investments in Fixed Income Securities. Overall, 2025 was a landmark year for the OTC market, with total transaction value reaching **TT$20.41Bn**. For Qtr 4 2025, the OTC market recorded its highest number of transactions (**4,175**) during the review period, although the total transaction value was relatively modest at **TT$2.04Bn**. This contrasts sharply with the first half of 2025, when transaction values were significantly higher despite lower trading volumes, suggesting a shift toward a greater number of smaller-value transactions in the latter part of the year. The average transaction value for the entire calendar year, 2025, was estimated to be **TT$2.37Mn** while the average for the last two quarters of 2025 was **TT$1.19Mn**.

Figure 21: Over-the-Counter Transactions



The OTC market remained heavily concentrated in Principal transactions throughout 2025, with Principal-arranged trades accounting for most of the transaction value in every quarter (see **Figure 21**). However, in Qtr 4 2025, Principal and Agent transaction values were nearly equal, with Principal transactions totalling **TT$1.04Bn** and Agent transactions totalling **TT$1.00Bn** (see **Figure 21**). This represents a notable shift from earlier quarters, where Principal transactions consistently accounted for a substantially larger share of OTC activity.

When looking at the currency composition, the OTC market activity continued to be overwhelmingly dominated by TTD securities. The TTD transactions accounted for approximately **84.77 percent** of total OTC transaction value in Qtr 4 2025 while USD-denominated transactions represented **15.23 percent** of activity. The dominance of TTD transactions suggests that OTC trading remained primarily driven by domestic fixed-income investment activity. (***Figure 21***).

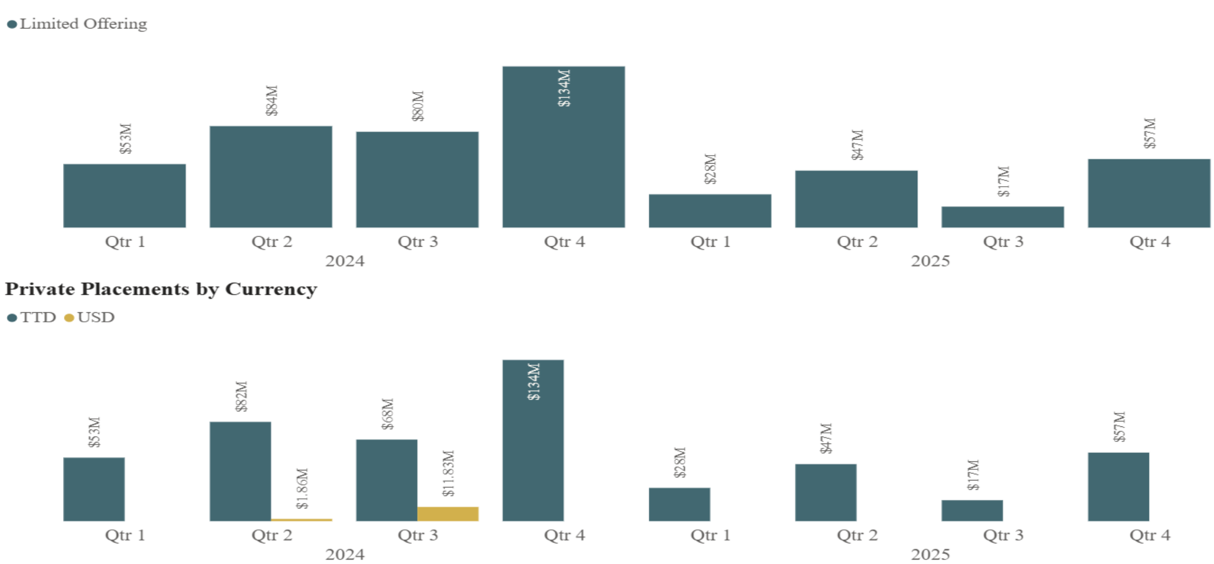
Private Placements

Table 6: Private Placement Transactions

Year	Quarter	Registrants	No. of Issues	Amount Raised TT$
2024	Qtr 1	1	40	$0.05bn
2024	Qtr 2	2	47	$0.08bn
2024	Qtr 3	2	42	$0.08bn
2024	Qtr 4	3	47	$0.13bn
2025	Qtr 1	2	17	$0.03bn
2025	Qtr 2	2	27	$0.05bn
2025	Qtr 3	2	20	$0.02bn
2025	Qtr 4	2	55	$0.06bn

Throughout 2025, **two (2)** Registrants conducted Private Placement activities, with all issues comprising investments in Fixed Income Securities. A total of **119** issues were raised during the year, generating approximately **TT$0.16Bn**. While the amount raised in Qtr 4 2025 exceeded the amounts raised in each of the preceding three (3) quarters of the year, it remained below the **TT$0.13Bn** raised in Qtr 4 2024, which was the highest quarterly amount recorded during the review period (***Table 6***).

Figure 22: Private Placement Transactions

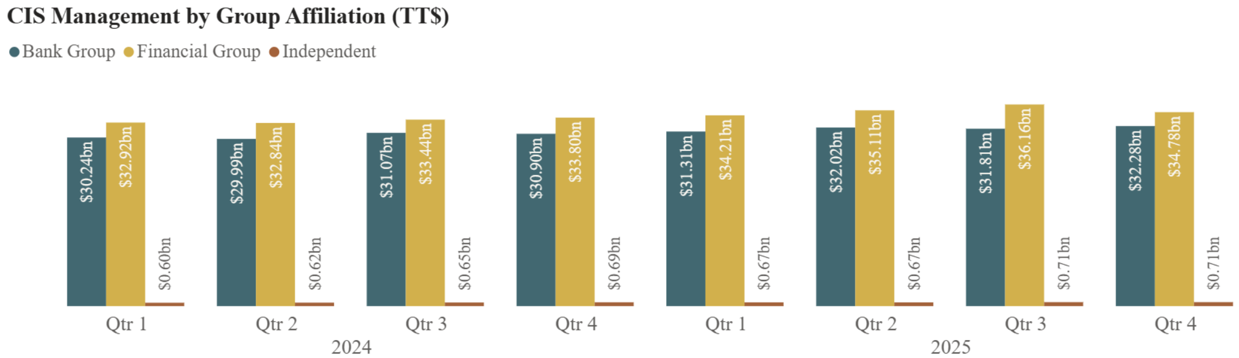


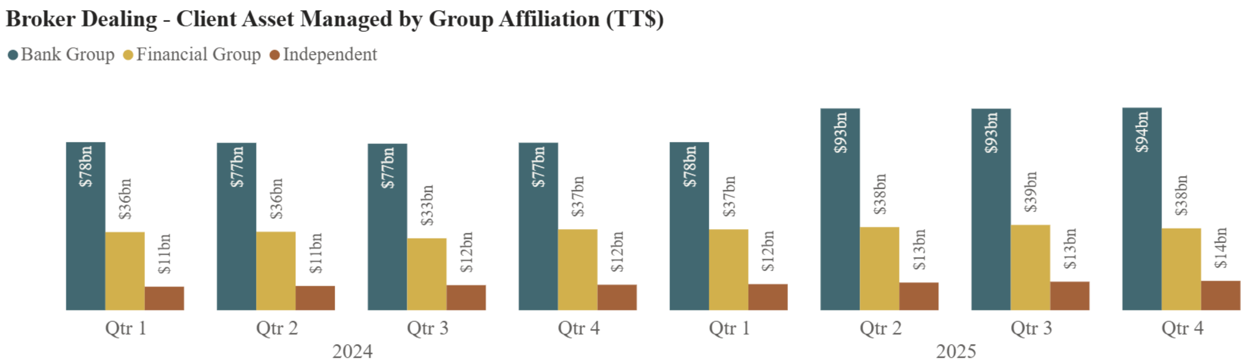
All Private Placement activity during the review period was composed of Limited Offerings. The amount raised through Limited Offerings declined from **TT$350.65Mn** in 2024 to **TT$149.39Mn** in 2025, representing a decrease of approximately **TT$201.27Mn (57.4 percent)**. Although fundraising activity strengthened during the final quarter of 2025, with the value of Limited Offerings increasing from **TT$17.42Mn** in Qtr 3 2025 to **TT$56.97Mn** in Qtr 4 2025, the amount raised remained well below the **TT$133.94Mn** recorded in Qtr 4 2024, which was the highest quarterly amount raised during the review period. (***Figure 22***).

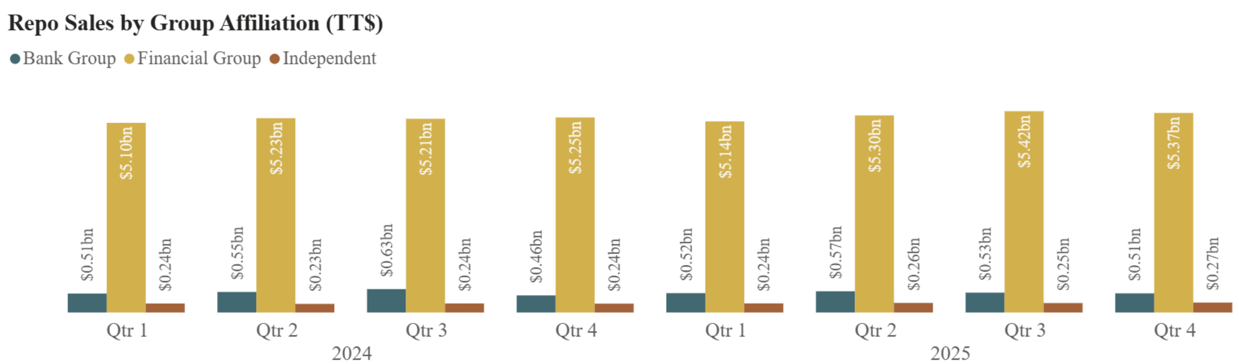
Analysis by currency shows that Private Placement activity remained predominantly denominated in Trinidad and Tobago dollars (TTD). In 2025, all funds raised were TTD-denominated, totaling approximately **TT$149.39Mn**. This contrasts with 2024, when a small proportion of funds were raised in United States dollars (USD), amounting to approximately **TT$13.44Mn.** (***Figure 22***).

Activities by Group Affiliation

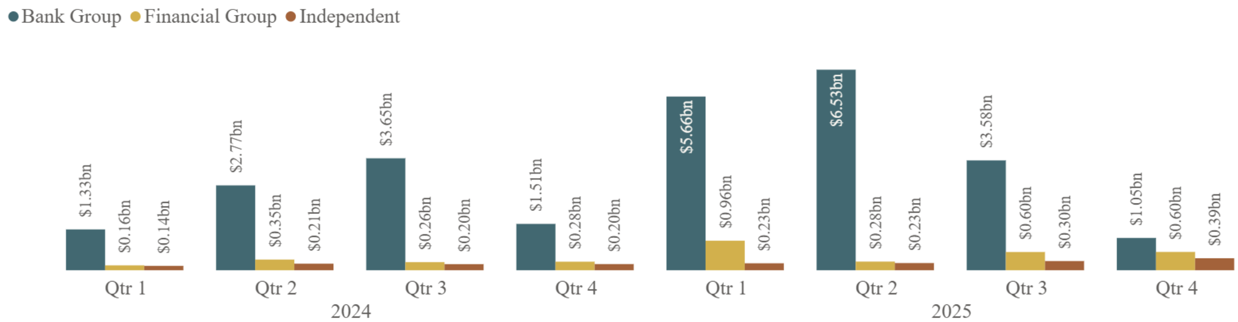
Figure 23: Significant Activities by Group Affiliation as at Qtr 4 2025 (TT$)



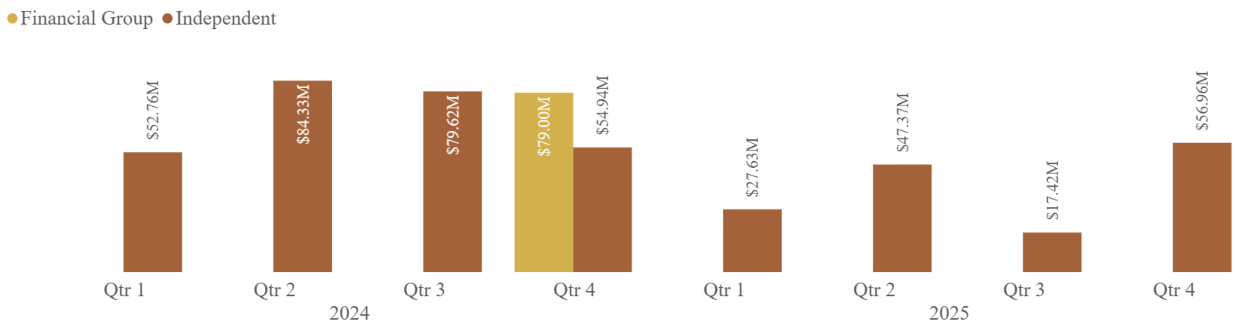




Over-the-Counter Transactions by Group Affiliation (TT$)



Private Placement Transactions by Group Affiliation



Entities are mainly categorised into three group affiliations: Bank Group, Financial Group and Independent. For Qtr 4 2025, Bank Groups continued to dominate under the three main significant activities: Broker- Dealer Client Assets managed, CIS Management and OTC transactions. For Broker Dealer Client Assets Managed this improved from **61.17 percent** in Qtr 4 2024 to **64.55 percent** Qtr 4 2025. When looking at CIS Management, its share went from **47.25 percent** in Qtr 4 2024 to **51.88 percent** in Qtr 4 2025. Bank Groups' share of OTC transactions followed a different path from **75.88 percent** in Qtr 4 2024 then falling back to **51.53 percent** by Qtr 4 2025.

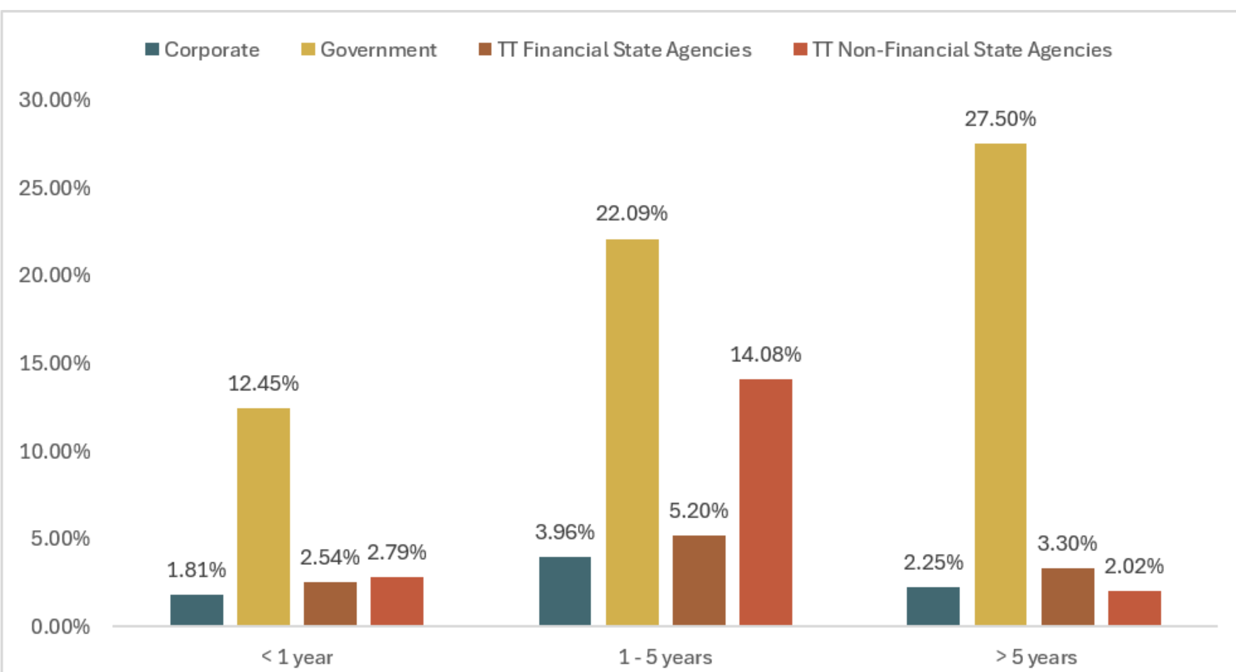
Financial Groups accounted for **47.39 percent** of AUM for CIS Managers and **87.30 percent** of Repo sales as at Qtr 4 2025. Financial Groups controlled **58.98 percent** of Private Placements in Qtr 4 2024. However, this changed drastically as the "Independent" group affiliation was responsible for **100 percent** of Private Placements across every quarter of 2025. (**Figure 23**).

Financial Interconnectedness

The country's economic progress is inextricably connected with the continued development of Trinidad and Tobago's interconnected financial system. It is vital that the securities market also progresses, as it facilitates capital formation and investment opportunities for commercial banks and non-banking financial institutions that offer credit, savings and risk management services. Collectively, these components form the foundation for economic resilience and sustained growth.

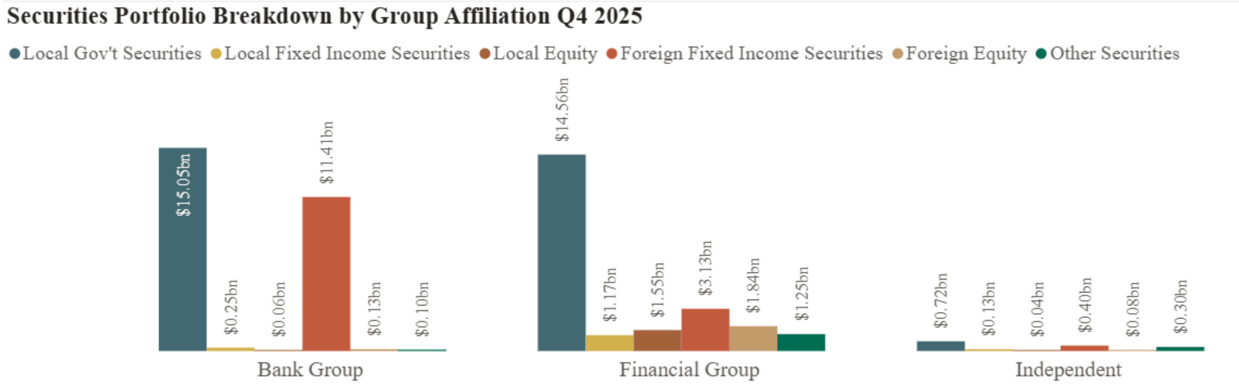
The TTSEC shall assess the inherent risks of its Registrants and the significant activities they undertake. The degree of interconnectedness between similarly structured investment portfolios makes them especially vulnerable to economic shocks, low-probability and high-impact events. Such events can impact the financial system, resulting in diminishing portfolio values. This would adversely affect both fund managers and the savings of investors. Through continuous monitoring and proactive oversight, the TTSEC aims to strengthen the resilience of the financial system and safeguard investor confidence. Most securities (**45.34 percent**) had between **1 to 5 years** to maturity (**Figure 24**).

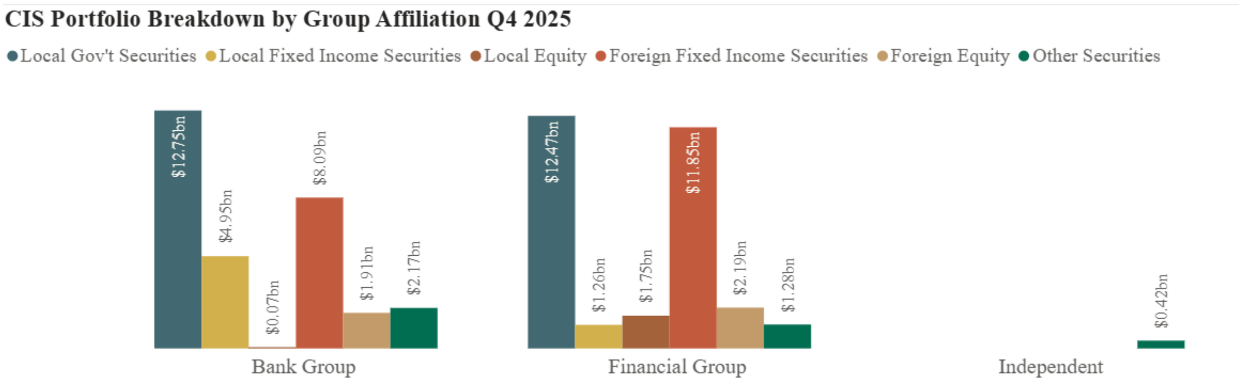
Figure 24: Time to Maturity of various categories of securities registered with TTSEC.

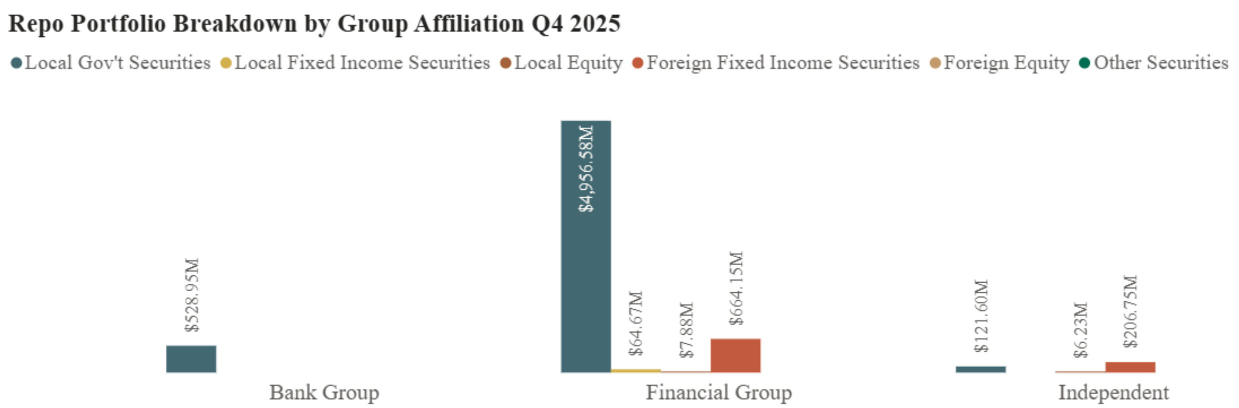


Across all portfolios and aggregated among the three major group affiliations, Local Government Securities and Foreign Fixed Income Securities represented the two largest shares of total investments (**Figure 25)**. Further analysis showed that the Local Government Securities accounted for the largest investment share for Bank, Financial and Independent entities respectively among all portfolios except for within the Repo Portfolios of Independent entities. For this category, the portfolios of Independent were mainly comprised of Foreign Fixed Income Securities **(61.79 percent)**.

Figure 25: Portfolio Compositions by Group Affiliation as at Qtr 4 2025 (TT$)





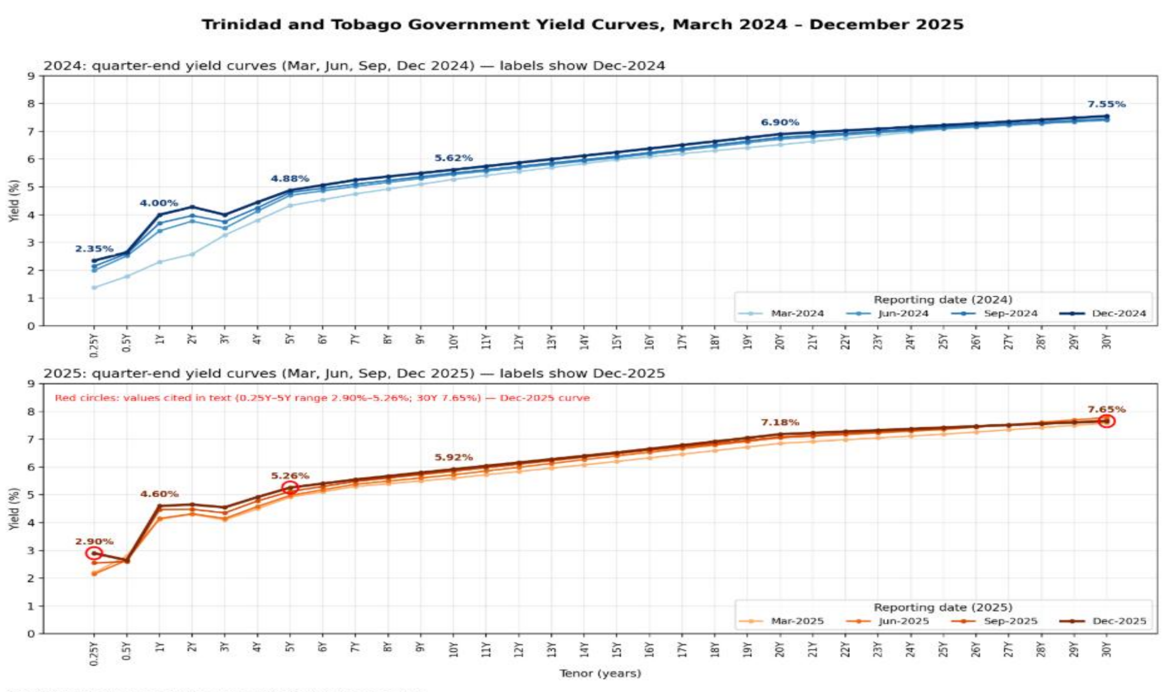


It is essential to understand the interconnections between the Central Bank of Trinidad and Tobago (CBTT) yield curve and its influence on the interest rates of government bonds. Yields on government bonds are shaped by current and expected future interest rates which are directly related to CBTT's monetary policy.

The main factors that play a role in this dynamic are interest rates, yield curve shape and market sentiment. Adjustments to the policy rate directly impact short-term borrowing costs for commercial banks which in turn affects the yields on short-term government bonds. Meanwhile, long-term government bond yields are more influenced by expectations of future economic conditions and inflation which are indirectly guided by CBTT's policy actions.

The shape of the yield curve offers insight into market expectations. A steep yield curve typically signals investor expectations of robust economic growth or rising inflation. Conversely, an inverted yield curve can indicate concerns about an impending economic slowdown. These yield curve dynamics are reflected in the yields offered on government bonds.

Figure 26: Government Bond Yield



Source: Central Bank of Trinidad and Tobago

Based on the data above, short to medium-term bond yields (maturities less than 5 years) ranged between **2.90 percent** and **5.26 percent** while the maximum yield on Long-term bonds was **7.65 percent** (**Figure 26**).

As highlighted previously, investments in Foreign Fixed Income Securities represented the second highest asset concentration among portfolios and have been gaining greater traction among local investors. Given that these portfolios are primarily comprised of TTD and USD - denominated investments, it is imperative that the TTSEC remains abreast of prevailing international economic conditions, as these assets are also susceptible to foreign exchange fluctuations.

Furthermore, the data also showed a link between CIS Managers and Repo Sellers. In Qtr 4 2025, mutual funds' investment in Repos accounted for **0.76 percent** of the total CIS portfolio while Repos collateral consisting of mutual-fund holdings stood at **0.136 percent** of Repo Assets. It should also be noted that CIS Managers also invested in other local mutual funds and equities, accounting for **0.30 percent** and **3.57 percent**, respectively, of the total CIS portfolio. While the concentrations in these securities continue to be minimal, disruptions in these market segments can affect the valuation of the assets in the portfolios.

Conclusion and the Way Forward

The TTSEC remains committed to monitoring and overseeing the business activities of our Registrants, with systemic risk reduction and financial stability central to our mandate.

Key developments over the year ended December 2025 included notable growth in several significant activities. Client Assets Managed by Broker-Dealers increased by **TT$18,440.14 million** **(14.57 percent)** to **TT$145.01 billion**, while CIS AUM rose by **TT$2,390.85 million (3.66 percent)** to **TT$67.78 billion**. Repo liabilities expanded by **3.46 percent** and OTC transactions by **2.51 percent**. In contrast, Investment Advising client assets declined to **zero** as the entity managing such assets commenced deregistration, and Private Placements fell by **57.47 percent**.

Within CIS Management, Fixed NAV funds continued to dominate (approximately **55 percent** of AUM), with Fixed Income securities comprising nearly **84 percent** of the market. Although TTD-denominated funds remained predominant, the USD share increased. Qtr 4 2025 recorded net redemptions of **TT$1.51 billion**, largely attributable to the wounding up of funds. Average yields improved for both Fixed and Floating NAV CISs, and there was a shift toward greater holdings of Level 1 securities in Fixed NAV portfolios. Weighted average maturities lengthened in certain segments, particularly local fixed income within Floating NAV CISs.

The Repo market showed a clear shift toward USD-denominated securities (rising from **26.41 percent** to **35.43 percent** of the portfolio), while remaining heavily concentrated in local government securities. Average returns on Repo contracts increased to **3.68 percent**. OTC activity reached a landmark **TT$20.41 billion** for the full year 2025, with Qtr 4 characterised by a higher volume of smaller transactions and a near balance between Principal and Agent arrangements. Private Placement activity remained limited and entirely TTD-denominated.

Bank Groups continued to dominate Broker-Dealer client assets, CIS Management and OTC transactions, while Financial Groups held the majority of Repo sales. Independent entities accounted for all Private Placement activity in 2025. Portfolio compositions across groups remained heavily skewed toward Local Government Securities, underscoring the interconnectedness of the system and the importance of monitoring concentrations and interest rate exposures linked to the CBTT yield curve.

We note the ongoing shift away from TTD to USD denominated securities in investment portfolios and the implications this may have for foreign exchange risk and domestic capital market development. The TTSEC will continue to monitor these trends, valuation practices, maturity profiles and interconnections closely as part of its risk-based supervisory approach.

We take this opportunity to thank our Registrants for their continued support, diligence and commitment, particularly regarding the ongoing enhancements of the MMRF data quality. Your contributions are instrumental in fostering a more accurate and reliable view of the industry. Together we are strengthening the integrity of the securities market. We look forward to continued progress in our efforts to provide effective oversight of the securities sector.

Appendix

Table 7: Summary of Indicators

	2024				2025			
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4
CIS AUM (TT$Bn)	63.76	63.46	65.17	65.39	66.20	67.80	68.69	67.78
% CIS AUM Fixed NAV	56.27	56.69	56.04	56.07	56.72	55.59	55.07	54.73
% CIS AUM Floating NAV	43.17	42.79	42.57	42.58	42.30	43.44	43.97	44.28
CIS Net Encashments (TT$Bn)	0.09	-0.28	0.21	0.50	0.88	0.41	-0.03	-1.52
Average CIS Yield (%)	2.95	2.23	3.43	1.82	1.71	3.31	3.56	2.45
Number of CISs	80	80	84	84	84	84	84	81
Number of CIS Managers	17	17	17	17	17	17	17	17
Repo Assets (TT$Bn)	6.29	6.43	6.53	6.28	6.27	6.46	6.59	6.56
Repo Liabilities (TT$Bn)	5.85	6.01	6.09	5.95	5.91	6.13	6.20	6.15
No. of Repo Contracts in issue	2,337	2,417	2,141	2,142	2,198	2,250	2,303	2,312
No. of Repo Sellers	14	13	12	12	12	12	12	12
Average Repo Maturity (mths)	14	15	12	12	13	12	12	12
Average Repo Return (%)	3.31	3.31	3.59	3.44	3.49	3.56	3.62	3.68
Value of GORTT Bond Issues (TT$Bn)	22.36	20.86	20.86	20.85	19.25	19.25	18.60	18.59
Market Capitalisation (TTD Market) (TT$Bn)	121.04	114.44	107.32	109.32	107.09	104.97	102.57	99.25
Market Capitalisation (USD Market) (US$Bn)	0.02	0.02	0.02	0.03	0.03	0.03	0.06	0.06
Value of OTC Transactions (TT$Bn)	1.63	3.33	4.11	1.99	6.85	7.05	4.47	2.04
Number of OTC Transactions	827	1,489	1,422	2,448	1,491	1,653	1,285	4,175
Value of Private Placement Transactions (TT$ Bn)	0.05	0.08	0.08	0.13	0.03	0.05	0.02	0.06
Number of Private Placement Issues	40	47	42	47	17	27	20	55